




**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF MENTAL RETARDATION SERVICES
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MEMORANDUM

TO: DMRS Providers, DMRS Staff, DRS Central Office Staff

FROM: Stephen H. Norris, Deputy Commissioner 

DATE: December 19, 2006

SUBJECT: Accessing DMRS Employment-Based Funding After the Completion of the DRS Stabilization Phase

When Julie Huber became State Director of Day Services this August, she initiated a review of Division of Mental Retardation Services (DMRS) employment services. During this time, she learned of inconsistent practice regarding the transition from Division of Rehabilitation Services (DRS) - funded employment services to DMRS-funded employment-based services. There was great disparity across the state concerning the point of transition with some believing that the correct point was the completion of the DRS stabilization phase while others believed that it was DRS case closure. The area of confusion was that the DRS case remains open after the stabilization phase with only another payment point remaining for a 30/60 day report prior to case closure.

Since there are specific Waiver regulations on this issue, she initiated a process with DRS, TEC (both state and regional) and the provider community to develop uniform policy that complies with Waiver regulations.

The Waiver states:

Supported employment services furnished under the waiver are not available under a program funded by either the Rehabilitation Act of 1973 or P.L. 94-142. Documentation will be maintained in the file of each individual receiving this service that:

1. The service is not otherwise available under a program funded under the Rehabilitation Act of 1973, or P.L. 94-142; and . . .

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We also consulted Virginia Commonwealth University, a recognized and respected authority on federal regulations pertaining to the employment process. They directed us to the following regulations that provide clear guidance that the 30/60 day report is not considered to be a service rendered to the individual. Therefore, DRS-funded services end at the completion of stabilization.

363.55: An individual with the most severe disabilities who is receiving supported employment services is considered to be successfully rehabilitated if the individual maintains a supported employment placement for 60 days after making the transition to extended services. By definition, extended service are services paid for by a funding source other than the Rehabilitation Act...ⁱ

And from 363.6

(iv) Extended services means on-going support services and other appropriate services provided by a State agency, a private nonprofit organization, employer, or any other appropriate resource, from funds other than funds received under this part, part 381, part 376, or part 380, after an individual with the most severe disabilities has made the transition from State vocational rehabilitation agency support; . . . ⁱⁱ

As a result of this process, we have arrived at the conclusion that providers may access DMRS employment-based funding *after the completion of the DRS stabilization phase.*

Members of State TEC have mapped out the DRS to DMRS seamless employment process. We have included that chart with this letter and think that you will find it to be most helpful. We would like to take this opportunity to emphasize the following:

- If, after you have begun to access DMRS employment-based funding for a person, you request and are granted DRS-funded services such as intensive job coaching or intensive job services, you must cease accessing DMRS employment-based funding for that person. Once you cease accessing the DRS funding, you may resume accessing DMRS employment-based funding.
- It is not necessary to have received the stabilization payment or have the stabilization letter in the file to begin accessing DMRS employment-based funding. However, it is important that you secure the letter as soon as possible and place it in the person's file. The date for the completion of the stabilization phase must come before the date you access DMRS employment-based funding.

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As we began this conversation, Julie asked people to send her their written thoughts on this issue. To those of you who took part in this process, we extend a sincere thank you for taking the time to not only articulate your thoughts on this issue, but, the time you took to substantiate your position.

To truly build a firm foundation for the expansion of employment, we, as a community, must address issues in a forthright and thoughtful manner. Such a process leads to a healthy, and at times, vigorous debate. However, such a process also holds the promise of the development of sound policy.

We will continue to use the Tennessee Employment Consortium as a forum for assisting us in the formation of employment-related policy. DMRS, DRS, providers, ISCs, families and advocates all have the same interest – to find the best the way to develop meaningful employment opportunities for the people we are all so privileged to serve. We hope you will participate in both your regional and state TEC meetings. The next State TEC meeting is Tuesday, January 16 from 10-3 at the Sante Fe Restaurant on Music Valley Drive in Nashville. Please contact your Regional Day Service Coordinator for the time and place of your next Regional TEC meeting.

Again, thank you so much for being a part of this process, we look forward to continuing our partnership to increase the number of employment opportunities for the people we serve. If you have any questions, please feel free to contact Julie at 615-532-6540 or julie.huber@state.tn.us or your Regional Day Service Coordinator.

I wish you and yours a joyous holiday season and a wonderful 2007.

ⁱ Title 34—Education, Office of Special Education and Rehabilitative Services, US Department of Education, Part 363—The State Supported Employment Services Program

ⁱⁱ Ibid.

SHN:JLH

copy: Denine Hunt, Director of Operations, Central Office
Julie Huber, State Director of Day Services, Central Office
John Knox, Day Services Coordinator, Middle Region
Jack Reed, Day Services Coordinator, East Region
Jim Walker, Day Services Coordinator, West Region

The Seamless Transition Process from DRS to DMRS Employment-Based Services

Final 12/18/06

Step	Action
1) Person expresses an interest in employment.	<p>ISC and DMRS Provider** initiate a discovery process that provides the person with both the information and experiences to make an informed decision about employment. If there is a guardian or conservator they should be a part of the meeting about whether or not to pursue employment. It is also important that WIPA (formerly BPAO) staff are contacted regarding the effects of work on Social Security benefits.</p> <p>If the person is served exclusively in Facility Based services, the DMRS Provider needs to submit a service request for Community-Based services to the ISC to facilitate the discovery process. It is in the best interest of the DMRS Provider that the request is approved before the provision of services begins.</p>
2) Referral to DRS to open a case.	<p>Once it is confirmed that the person wants to be employed and the guardian or conservator approves and there is a time frame for the initiation of the employment process, either the ISC or the DMRS Provider make a referral to DRS. DRS opens a case. If the DMRS Provider does not have a DRS SE Letter of Understanding, DRS refers the person to a CRP.* In this circumstance, the ISC, the CRP and the DMRS Provider need to meet to coordinate activities and responsibilities.</p>
3) Supplemental Evaluation	<p>After DRS eligibility has been determined, Supplemental Evaluations are the first step in the DRS process. DRS may fund up to 3 evaluations.</p>
4) Employment Meeting	<p>After Supplemental Evaluations have been completed, DRS requires that there be an employment meeting to discuss the results including the person's interests, the levels of support the person will need and any barriers that need to be overcome. If a CRP other than the DMRS Provider has performed the DRS process, then both the ISC and the DMRS Provider need to receive written results of this meeting. Based on the outcome of this meeting, job development begins.</p>
5) Job Placement	<p>Once the person is hired, the ISC submits a service request for the appropriate DMRS employment-based rate that is based on the level of employment support that the person will need. The projected completion date of stabilization should determine the start date of the requested DMRS employment-based services. Once the person starts working, DRS pays the provider for Job Placement, the second step in its employment process.</p>
6) Stabilization	<p>Stabilization is the third phase in the DRS employment process and the last phase of DRS funded employment services. It typically lasts 30 to 60 days but may take longer. The provider and the DRS Counselor must agree that the person has completed stabilization according to the guidelines in the SE LOU. DRS pays the provider for the achievement of stabilization.</p>
7) Provider begins accessing DMRS	<p>Upon the completion of stabilization, the DMRS Provider may begin accessing DMRS employment-based funding for the provision of extended supports. DMRS funding for extended services can begin on the next service day after</p>

employment funding	stabilization has ended. This process is designed with the expectation that the DMRS service request is already approved. This ensures a seamless transition between DRS and DMRS service funding (e.g. no gap between the date of the end of stabilization and the beginning of DMRS employment-based funding). The DMRS Provider must maintain a letter from DRS documenting the stabilization date to justify the date of access to DMRS employment-based funding. However, it is not necessary that the DMRS Provider has either the payment for stabilization or the stabilization letter in hand prior to accessing DMRS employment-based funding.
8) 30/60 Day Report	The DRS provider submits this report to DRS on the status of the person at the appropriate time. DRS's payment for this report is not considered to be a payment for a service. Payment for services ceased with the completion of stabilization.
9) Closure	DRS closes the case based on the 30/60 day report. If the DRS and DMRS providers are different entities, both need to maintain a copy of the closure letter in the person's file.

* For clarity's sake, the terms, DMRS Provider and Community Rehabilitation Provider (CRP-DRS) are used to distinguish providers in the circumstance when the DRS provider and the DMRS provider are separate entities.

General Notes:

- Planning is always the key to success. Make sure you have sufficient, trained staff to provide services.
- If a CRP has provided the DRS phase of the process, ensure that the CRP staff trains the DMRS provider staff in supporting the person.
- If, after you have begun to access DMRS employment-based funding for a person, you request and are granted DRS-funded services such as intensive job coaching or intensive job services, you must cease accessing DMRS employment-based funding for that person. Once you cease accessing the DRS funding, you may resume accessing DMRS employment-based funding.

This document was included with the memo of Deputy Commissioner Stephen H. Norris in December 2006 regarding the Division's policy on stabilization as the point of transition from DRS funded services to DMRS employment-based services.